



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA



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OF THE REPUBLIC OF SOUTH AFRICA

PBO

**PARLIAMENTARY
BUDGET OFFICE**

2022/23 FY ANNUAL REPORT OF THE PARLIAMENTARY BUDGET OFFICE

BRIEFING BY THE DIRECTOR TO THE JOINT
STANDING COMMITTEE ON THE FINANCIAL
MANAGEMENT OF PARLIAMENT –

DR DUMISANI JANTJIES

DATE: 10 November 2023

PARLIAMENTARY BUDGET OFFICE

PARLIAMENT OF THE REPUBLIC OF
SOUTH AFRICA

**BRIEFING ON THE REPORT ON THE ACTIVITIES OF
THE PBO FOR THE 2022-2023 FY**



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OVERVIEW

10 YEARS
ESTABLISHED JUNE
2013

About the Parliamentary Budget Office



The Parliamentary Budget Office is a juristic entity of Parliament and headed by a Director as an Accounting Officer. The Office was established in terms of the Money Bills and Related Matters Act 2009

To support the implementation of the Money Bills and Related Matters Act of 2009; to provide support to the Finance and Appropriations Committees in both Houses; but the Office can provide technical support to other Committees and Members of Parliament subject to available capacity

The Money Bills and Related Matters Act guides the approval of money bills and related matters, including amending the budget

The Office offers independent and objective analysis and advice to Parliament on money bills and other bills presented by the Executive; and any other documentation or reports with fiscal implications

The Office has powers to request budget and related information from government and non-government entities in fulfilling its mandate. The Office is accountable to Parliament through the Executive Authority of Parliament and is required to consult the Advisory Board on specific governance matters

Primary Legislated Mandate

Section 15(1) of the Money Bills Act no 09 of 2009

There is hereby established a Parliamentary Budget Office headed by a Director, the main objective of which is to provide independent, objective and professional advice and analysis to Parliament on matters related to the budget and other money Bills.



Our Vision

Building an effective Parliamentary Budget Office that contributes to strengthening the oversight capacity of Parliament

Our Mission

To provide independent economic and fiscal advice to Parliamentary Committees ensuring informed recommendations in exercising oversight of Public Finances.

Values

- Independent
- Professional
- Transparent
- Accountable
 - Efficient
 - Innovative
- Collaborative

Parliamentary Budget Office in Context



The scale of capability or technical expertise or knowledge of Member of the Legislatures varies across the world. This is also affected by the level of economic and societal development

On the other hand, governments require and possess skilled human capital and institutional capacity to deliver services and govern their countries

To keep up with the legislative role of oversight, legislatures also require administrative capacity (human capital and institutions capacity)

Many legislatures have enacted laws to ensure such capacity is in place, e.g. specialised research units or budget offices or fiscal advisory councils

The establishment of Parliamentary Budget Office is one mechanism adopted by many countries to ensure better technical capacity to support MPs in their fiscal oversight

The concept of establishment parliament budget office has been in existence since 1936 with Belgium having the oldest structure, and Uganda having the oldest PBO in the continent 2001

Level of human capital and institutional capacity requirement in legislatures is largely dependent on whether the legislature



Role	Characteristics	Examples
Budget Making	Capacity to amend or reject the executive's budget proposal and capacity to formulate a budget of its own.	United States of America
Budget Influencing	Legislative authority to amend or reject the executive's budget proposal but lacks capacity to formulate and substitute budget of its own.	Germany, Philippines, Poland, Hungary, India and South Africa, Kenya, Uganda
Budget Approving	Lacks capacity to amend or reject the executive's budget proposal or to formulate a budget of its own. Confines itself to assenting to the budget that is placed before it.	Israel, Namibia, United Kingdom, Canada

Parliamentary Budget Office in Context (cont.)



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Post 2008 Global Financial Crisis (GFC):

- Fiscal challenges emerged because governments had to address the economic, fiscal and socioeconomic difficulties
- Many Parliaments established PBOs or similar Institutions to provide much needed technical capacity, analysis and advice, more than 70% of them were established post- GFC
- Parliamentary Budget Offices enhance the role of Parliaments in holding governments accountable on budgets and service delivery post the crisis
- New Offices were also established on the African continent with Uganda (whose PBO was established in 2001) the oldest, many of them established post-GFC
- South African Parliamentary Budget Office was established in 2013, even though the Money Bills Act was promulgated in 2009 (the Act was further amended in 2018)

Global Covid-19 Pandemic PBOs support to their Parliaments include;

- Provide rapid analysis and briefing to their legislatures on the socioeconomic, macroeconomic and fiscal impact of the pandemic
- Monitors the activation and implementation of government escape clause, as many governments suspended normal budget processes to urgently respond to Covid-19 economic and social impact
- Provided costing estimates analysis on government emergency policies or plans or legislatures, to determine impact on economy, public finances and providing much needed social relief
- Promoting and ensure that principles of transparency and accountability are adhered to during governments implementation of emergency procedures

Parliamentary Budget Office in Context (cont.)



International common understanding of the Parliament Budget Office roles and functions?

- Entity set-up within their parliaments to provide members with independent analysis and advice as part of support to fiscal oversight
- International experiences shows that, most of the PBOs or similar entities are set-up independently from the legislature's administration, like in South Africa

PBOs functions in support of legislatures differ internationally	Operations of PBOs are affected by many dynamic	Inherent and Common issues confronting PBOs
<ul style="list-style-type: none"> a. Provide an alternative budget to that of executive. e.g. CBO in USA b. Amend the budget proposals of the executive; e.g. Kenya and Uganda PBO c. Understand the budget proposed by the executive; e.g. rubber stamping d. Are an extension of the executive yet report to both the executive and legislature. e.g. OBR in UK 	<ul style="list-style-type: none"> a. Whether they are established by legislation or not b. Provide support to Committees or MPs or publishes its work c. Accountable to Administrators, or Legislature or both d. Publish its work, or share its work to other stakeholders 	<ul style="list-style-type: none"> a. Lack of specific legislation (e.g. Source of mandate or protection from undue influence) b. Governance and reporting structures (Administration vs Parliament) c. Budget or funding of PBOs (direct transfer or not) d. Access to information needed for analysis e. Workflow arrangements and staffing f. Access to Human Capital g. Expectations Management ¹²

South African Parliamentary Budget Office - Introduction

Legislative mandate



Constitution

Money Bills
Amendment
Procedure and
Related Matters Act no
09 of 2009

Money Bills
Amendment
Procedure and
Related Matters Act no
13 of 2019

10 Year Overview



- The PBO was established in 2013 with the appointment of the first Director of the Office. The current Director is the second head of the Office
- The Office is a juristic entity (“juristic person”) of Parliament headed by a Director as its Accounting Officer
- Established by section 15 of the Money Bills Amendment Procedure & Related Matters Act no 09. of 2009 as amended in 2019
- It is legislatively required to provide independent, professional, objective research, analysis, and advice in support of Parliament’s fiscal oversight processes
- As a juristic entity of Parliament, the Director accounts to the two Houses of Parliament through the Executive Authority of Parliament
- The Office is required to consult the “Advisory Board” (AB) on specific governance and management matters. AB established by section 15 of the Money Bills Act
- The AB comprises of the NA House-Chairperson for Committees, NCOP House-Chairperson, and the Chairpersons of the Finance and Appropriations Committees in the NA and NCOP

Core functions of the PBO



Undertaking research and analysis for the 4 committees (2 Finance and 2 Appropriations in both Houses of Parliament)

Annually providing reviews and analysis of the documentation tabled in parliament by the Minister of Finance

Providing advice and analysis on proposed amendments to the Fiscal Framework, Division of Revenue Bill and Money Bills and on policy proposals with budgetary implications

Monitoring and synthesising matters and reports tabled and adopted in a House with budgetary implications, with particular emphasis on reports by other committees

Keeping abreast of policy debates and developments in key expenditure and revenue areas

Monitoring and reporting on potential unfunded mandates arising out of legislative, policy and budgetary proposals

Undertaking any other work deemed necessary by the Director to support the implementation of the act

Strategic execution from conceptualisation



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National Level

Government Budget Addresses the Country's Socio Economic Developmental Needs that improve the quality of life- 2021 to 2024- The 2019-2024 Medium Term Strategic Framework has set-out seven Outcomes to be realized by 2024. Government uses the budget and other policy instruments to realize these MTSF Outcome



Parliament Level

Parliament's oversight process in terms of Money Bills and Related Matters Act assess how government's proposed budgets contribute to the realisation of national aspirations (Increase Government's responsiveness and accountability). During this budget oversight process Parliament is required to take into account inputs from various stakeholders



Parliamentary Budget Office Role

Provide and advise based on research and analyses outputs to support Parliament's process of assessing the societal potential, economic and developmental impact of the budget. The PBO research and analyses outputs aim to provide relevant and necessary knowledge and insights that support and Empower MPs in their oversight role.

Research and analysis and Parliament Fiscal Oversight



Office to remain a strong and independent voice within the budget process in support Parliament's role of fiscal oversight, to ensure four fundamentals are attained and maintained -

1

- Our research, analysis, reports and briefs are reported and presented in a form that is accessible (readable) or understandable by an average MP

2

- Good balance between responding to Committees' or MPs research or analysis requests, and ability for the office to initiate own analysis or research

3

- The Office has a fair, clear, transparent and practical workflow and analysis methodology in doing its analysis and research work

4

- Office continues to be highly respected and remain independent, objective and professional; include the Director and the team members, in particular by the Executive and MPs

Parliament Committees



Standing Committee on Appropriations (NA)

- Spending issues
- Division of Revenue Bill, Appropriation Bill
- Supplementary Appropriation Bills, Adjustments Appropriation Bill
- Recommendations of the Financial and Fiscal Commission
- Reports or statements on actual expenditure published by the National Treasury

Standing Committee on Finance (NA): Budget Review (February) and MTBPS (October)

- Macroeconomic and fiscal policy;
- Fiscal framework, revised fiscal framework;
- Revenue proposal (including taxes) and actual revenue published by government:

PBO Primary Committees as per Money Bills Act

Select Committee on Appropriations (NCOP)

- Spending issues
- Division of Revenue Bill, Appropriation Bill
- Supplementary Appropriation Bills, Adjustments Appropriation Bill
- Recommendations of the Financial and Fiscal Commission
- Reports or statements on actual expenditure published by the National Treasury

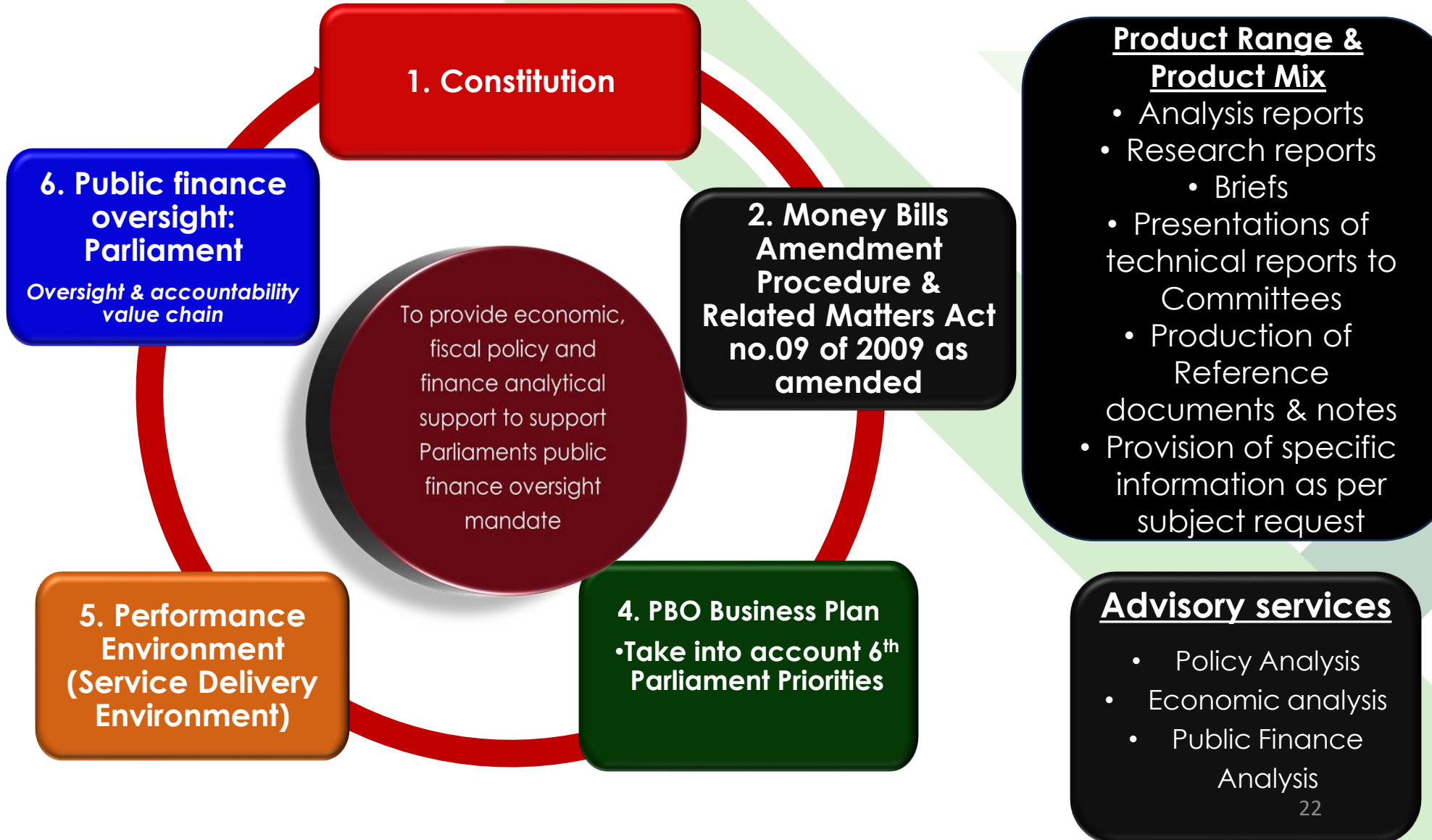
Select Committee on Finance (NCOP): Budget Review (February) and MTBPS (October)

- Macroeconomic and fiscal policy;
- Fiscal framework, revised fiscal framework;
- Revenue proposal (including taxes) and actual revenue published by government:

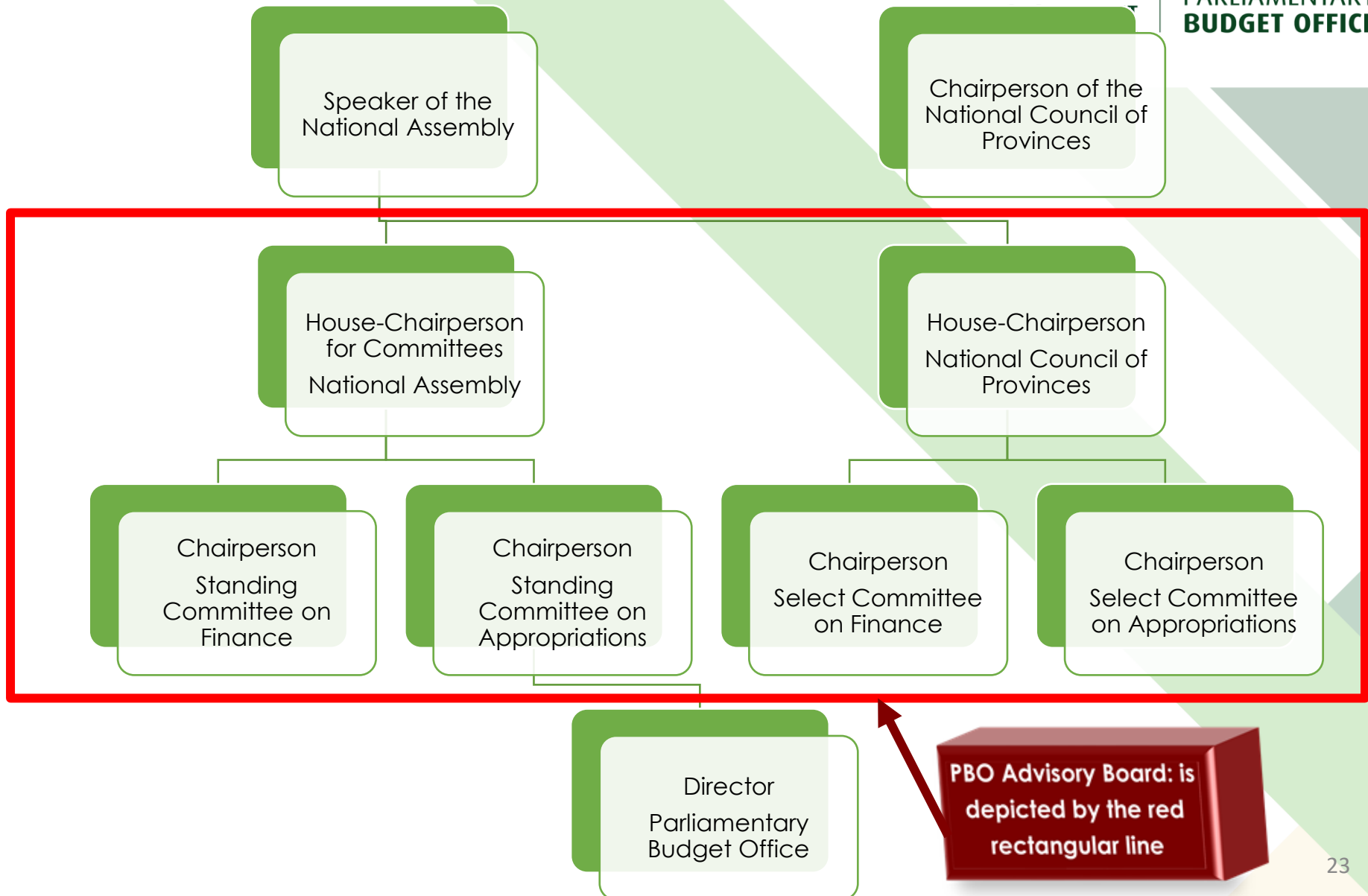
Research and Analysis	Description of the Research and Analysis
Pre-Budget and Pre-MTBPS briefs	Provide analysis to Parliament on the status of the economy and public finance and government performance before the presentation of the National Budget (February) and Medium Term Budget Policy Statement (October)
Budget and MTBPS analysis	Subsequent to the presentation by the Minister of Finance and before Parliament adopts or amends or rejects the budget and MTBPS proposals, the PBO provides analysis on economic and fiscal issues to be taken into account
Policy Analysis on National Development Plan-	Several analyses on the implementation of the National Development Plan, vision 2030 (NDP) in terms of content, context and progress made with the implementation
Quarterly Economic and Fiscal Briefs	Quarterly Economic Brief, the PBO provides parliament with an analysis of the economic outlook as the economic performance affects public finances outlook. Fiscal Brief appraises MPs on the status of the government's performance in relation to the budget allocated, and these updates are given within six months (pre-MTBPS) of the financial year and just after the end of a financial year
In-year revenue forecast and Forecast Audits Economic Modelling capability	In-year revenue forecast, within the first six months of the financial year, PBO provides an estimate of whether government revenue targets for that year will be realised. The PBO estimates are based on historic trends and including first five months of the year's outcomes being forecasted. Forecast Audits, annually provide an analysis of the government growth estimates. This analysis gives indications of the likelihood of realising forecasted growth given historic performance of the forecasts
Briefs on Taxation and Revenue Matters	On request from finance committees, PBO provides an analysis of taxation proposals made during the budget reviews
Research and Analysis Requests from Committees Costing Estimates Analysis	During the financial year Committees may request an analysis on a particular issue with public finance implications. E.g., Votes budget analysis, SOEs financial analysis, Electricity generation technology choices: Costs and considerations, Public Sector Wage Bill, Free Fee HE Costing Analysis, Business incentives for development

2022/23 FY Business Plan & Budget Estimates & Annual Performance Information

Strategic planning framework



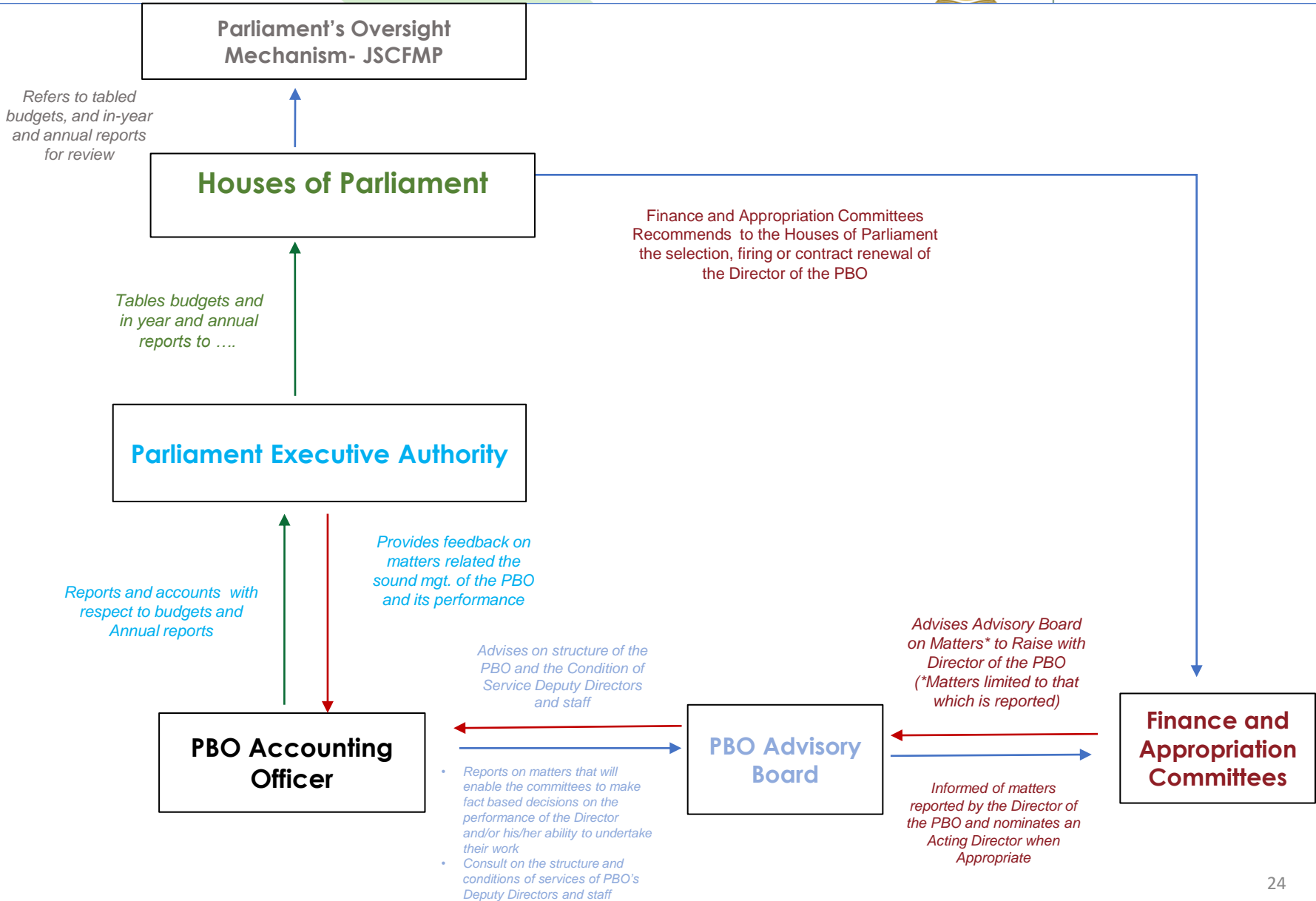
Governance and accountability framework



Governance and accountability framework



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PBO within the Programme Structure of Parliament & related matters



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- The PBO is located in *Programme 3: Transfers* under the *Joint Support Services* sub-programme

Section 15(11) of the Money Bills Act

In terms of subsection 15(11) of the Money Bills Act, the Director is required to submit a rolling three-year budget in time for inclusion in Parliament's main budget and a report on the use of funds and the activities of the PBO

Section 15(10) of the Money Bills Act

In terms of sub-section 15(10) of the Money Bills the PBO must annually receive a transfer of funds from Parliament's budget to carry out its duties

Legislated parliament committees, but others and MPs



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Finance & Appropriations Committees of Parliament

- In terms of section 15(2) of the Money Bills Amendment Procedure and Related Matters Act no 09 of 2009, the Finance and Appropriations Committees from both Houses of Parliament are the legislated and primary Committees to which the PBO must provide technical support.

Other Parliamentary Committees

- Additional technical support is provided by the Office to other parliamentary committee's subject to human resources capacity and the alignment of the terms of reference to the Money Bills Act

Rules

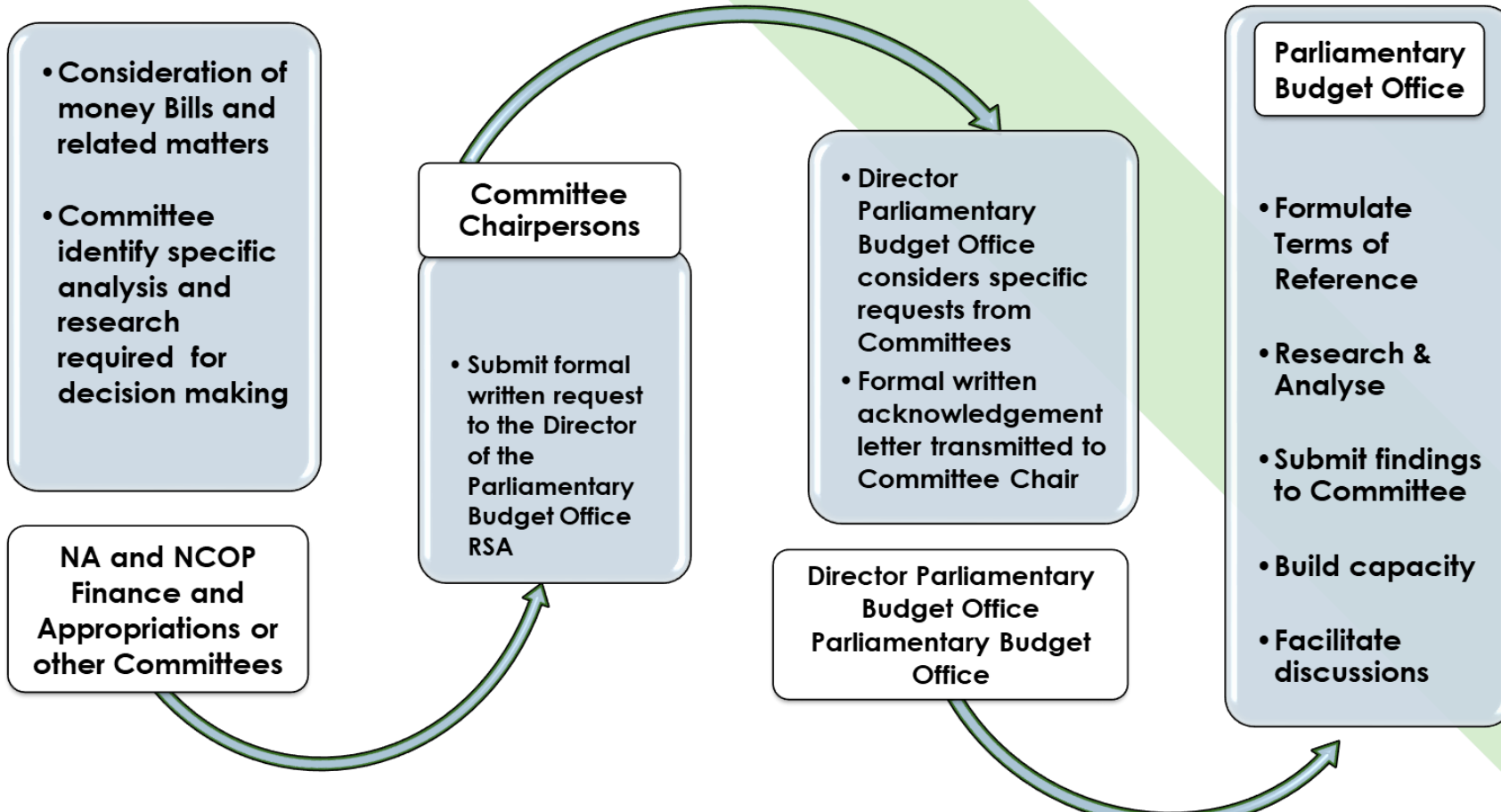


Office Business Model



Customer Groups and Customer Needs	Committees of Finance	Committees of Appropriations	Public at large	
	<p>Research and analytic support when considering the following:</p> <ol style="list-style-type: none"> 1. The national macro-economic and fiscal policy. 2. The fiscal framework, revised fiscal framework, bills and amendments thereto. 3. Actual revenue published by the National Treasury. 4. Any other related matter set out in the Act. 	<p>Research and analytic support when considering the following:</p> <ol style="list-style-type: none"> 1. Spending issues. 2. The Division of Revenue Bill, the Appropriation Bill, Supplementary Appropriation Bills, the Adjustments Appropriation Bill, and amendments thereto. 3. Recommendations of the Financial and Fiscal Commission, including those referred to in the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997). 4. Reports or statements on actual expenditure published by the National Treasury. 5. Any other related matter set out in this Act. 	<p>Access to information about government's finances and expenditure</p>	
Customer Value Proposition	<p>Interaction Channels:</p> <ul style="list-style-type: none"> • Presentations to the committees • Publications available via email or the PBO's website 		<p>Interaction Channels:</p> <ul style="list-style-type: none"> • Publications via website • Parliament's Public Education Drives 	
	<p>Product and Service Offerings</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;"> <ol style="list-style-type: none"> 1. Budget and MTBPS analysis 2. Adjusted estimates analysis 3. Economic and fiscal briefs </td> <td style="width: 50%;"> <ol style="list-style-type: none"> 4. Policy monitoring reports 5. Special request reports 6. Forecast audits </td> </tr> </table>			<ol style="list-style-type: none"> 1. Budget and MTBPS analysis 2. Adjusted estimates analysis 3. Economic and fiscal briefs
<ol style="list-style-type: none"> 1. Budget and MTBPS analysis 2. Adjusted estimates analysis 3. Economic and fiscal briefs 	<ol style="list-style-type: none"> 4. Policy monitoring reports 5. Special request reports 6. Forecast audits 			

Workflow methodology



The workflow process manages the flow of research and analysis requests emanating from requesting Parliamentary Committees. As the primary legislated client committees, the Finance and Appropriations Committees of Parliament are accorded primary service delivery status notwithstanding the occasional technical support provided by the Office to other parliamentary committees.

2022/23 FY PBO Service Delivery Overview

Service Delivery Overview



1. Budget Analysis- Addressing the mismatch between Strategic Development Framework and Budget Framework

- How has the mismatch between the (service delivery and economic development planning) and the budget framework led to poor socioeconomic and macroeconomic developmental outcomes?
- We look at the pre-democracy discussions in the earlier 90s where consideration about the post-apartheid South Africa and the considered developmental governance approach to be adopted
- One of the main consideration then was that there needed to be a clear developmental strategic plan and that the government budget framework to be adopted had to fit into this country's development strategy or plan (which in my view main development strategy was set out in the Constitution).
- Looking at the current trajectory it is clear that (budget framework vs strategic development framework) the budget framework has largely failed to take up this consideration. Because we can agree that the strategic developmental framework has since been expected to fit into the budget framework or the other way around
- It is clear that failure to follow through on this commitment where the budget framework fit into the strategic development strategic plan may be considered to be the origin of the mismatch we are currently facing where, service delivery and economic developmental requirements are not met by an appropriate budget framework
- In that the Constitution requires certain level of service deliver and economic development. But on the other side government cites concerns about limited budget or resources to realise these socioeconomic development aspirations

Service Delivery Overview



1. Budget Analysis- Addressing the mismatch between Strategic Development Framework and Budget Framework (continued)

- One of the matters for consideration is the lack of thorough engagement on how to get a proper match between developmental strategic plan and our macroeconomic and budget framework.
- In particular, when we look at the National Development Plan stratagem, and main analysis there was about the fact that the NDP lacks clear debates or consideration on the appropriate macroeconomic framework that will ensure the strategic plan targets are realised. Hence, even before Covid-19 government had already conceded that the NDP targets will not be realised.
- Basically, there is this growing or structural divergent between the planning on one side, that is to say their level of service delivery and economic development required in line with the Constitution or strategic plans, and on the other side there is this continuously shrinking of budget framework
- The argument here is about a failure to show an understanding that these two variables (planning and budget framework) has to be understood to be able to influence or complement each other rather than seeing one as a threat to another. E.g. Spending more on supporting low income household healthcare or education should be seen as an investment rather than as burden to the fiscus

Service Delivery Overview



1. Budget Analysis- Addressing the mismatch between Strategic Development Framework and Budget Framework (continued)

- Over the years the PBO continuously noted that, the Budget and MTBPS (correctly so) regularly raise socio-economic concerns linked to unemployment, poverty and inequality (UPI) and the importance of addressing these
- However, our concerns about these documents (Budget and MTBPS) over the years is that despite raising important points around the need to address socioeconomic challenges, they quickly move on to raise issues linked to the size of the government's debt and debt repayments
- Basically, the Budget and MTBPS main objectives or focuses on debt repayments as a percentage of the total budget. The government argues that the debt is not sustainable because the debt repayments will continue to grow as a share of the budget or crowd out other expenditures.
- Our view is that there has to be acknowledgement that debt increase in the main because of lack of economic growth and failure to deal with inequality in access to services like health care and many others and unemployment and poverty. In essence in our analysis, we show that the government has reduced the issue of dealing with socio-economic issues to the size of debt and debt repayments annually.

Service Delivery Overview



1. Budget Analysis- Addressing the mismatch between Strategic Development Framework and Budget Framework (continued)

- The issue is that, government budget framework fails to adequately consider the continued impact of long-term fiscal contractionary stance- consolidation (an austerity mind-set) on fiscal space and debt repayments itself
- An important consequence is that the government is deprived of the ability to take a longer-term perspective on the budget as a tool for addressing economic development and UPI on poorest communities
- In essence this means that addressing socio-economic rights has been constrained by short-term fiscal objectives. And in this way the budget treats poor household as a cost to the budget and a burden to the economy
- Our analysis has shown that
 - the UPI challenges are structural and are directly related to the dynamics operating in the economy and the level of concentration of wealth and control over markets and access. The market on its own will not be able to address these structural factors causing UPI
 - the government Structural Reforms will largely retain the current economic status quo and improve the business environment for the existing corporations that dominate the economic sectors and extract wealth from the economy.
- In our argument we say it is largely the Government action with the budget that will address the structural factors that limit the development of our economy: that is by deepening and diversifying the economic sectors of the economy while also drawing upon the immense potential of the South African population that is wasted as a result of UPI. An important tool in this regard is the budget.
- Therefore, the budget has to be part of a long-term vision and programme aimed at redistribution and economic transformation.

Service Delivery Overview



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2. Macroeconomic Analysis

- Developing countries, incl. South Africa, have been affected by the cumulative effects of crises. The high likelihood of more crises points to greater hardships ahead
- In 2023 the UN Secretary General advocated for developing country governments to embark on “bold, targeted and timely” fiscal expansion and support from developed countries to support their recovery and stimulus
- Even if global growth improves more than forecast, South Africa's growth prospects over the medium term remain poor because serious risks, including electricity and water availability, will very likely persist and government's fiscal policy framework is contractionary
- Government's projections for investment have consistently been too high and again seem unjustifiably high in the 2023 Budget given problems such as load shedding, freight bottlenecks, higher interest rates, fiscal consolidation and low household demand
- For the economy to grow, household consumption, which contributes about 60 per cent of GDP, has to grow, however, household demand and associated investments are expected to remain low
- More government spending, particularly to support struggling households, service delivery and upgrading of services infrastructure could boost aggregate demand and form part of a strategy for structural transformation of the economy
- Both private and public sector investments have declined since the global financial crisis of 2008
- The 2023 Budget's growth forecasts over the MTEF depends largely on projected investment growth
- The NT projects investment to grow at an average of nearly 3 per cent over the MTEF mainly driven by private sector energy projects which NT hopes will ease the energy constraint, improve overall business sentiment and stimulate fixed investment, however, SA's fixed investment track record has been poor
- Extraordinarily high levels of unemployment, poverty and inequality, market concentration, financialisation and misallocation of capital, and inadequate state capacity to deliver infrastructure projects all point toward continued poor investment and economic growth performance

Service Delivery Overview



3. Socioeconomic and the budget context

- Large proportions of the South African population are subject to debilitating poverty and unemployment and institutional support is inadequate
- The percentage of households that had limited access to food has increased from 17.8 per cent in 2019 to 20.9 per cent in 2021. The percentage of persons with more limited access to food increased from 19.5 per cent in 2019 to 23.8 per cent in 2021. The extensions to the COVID-19 SRD grant have provided lifelines to millions of South Africans
- The increases in crime reported in crime statistics is worrying. On average, crime increased by 9.55 per cent (year-on-year) between December 2021 and December 2022
- According to Stats SA, there was a decline from 36.8 per cent in 2019 to 28.5 per cent in 2021 in children aged 0 to 4 who attended Grade R and pre-school
- Children from poorer households are more likely to stay at home with parents or guardians than attend ECD centers. Progress in International Reading Literacy Study (PIRLS) estimates that the number of Grade 4 children that cannot read for meaning will increase from 78 per cent pre-pandemic (2016) to an estimated 82 per cent in 2021 (final results to be published in May 2023)
- The percentage of individuals aged 18 to 24 who are still attending secondary school was higher for households in poorer income groups than households in higher income groups
- The public healthcare system remains overstretched and underfunded.
 - For example: According to the South African Nursing Council, the current nurse-to-patient ratio is 1:218 patients while the ideal ratio is 1:16

Service Delivery Overview



4. Tax policy analysis

- We have advise Parliament about the need to reform international tax system in line with the changing way of doing business and to ensure government revenue base remains viable;
- We cautioned against reducing the corporate statutory tax rate from 28 to 27 per cent, given the low Effective Tax Rate (ETR) and lack of evidence such reduction will lead to more investment in the economy or creation of jobs
- We noted that the inflation adjustment of personal tax brackets, and fuel levy tax reliefs are important as they provide much needed relief to low-income households
- We raised concerns that despite lack of evidence that some of the tax expenditures like ETI objectives are been reliased, government continues to extend that despite forgone revenue
- We cautioned Parliament that the renewal energy tax incentive would likely benefit high network taxpayers, and who are likely to procure these solar systems regardless of the incentives. And that the corporate taxpayers receives the significant share of the incentive compared to individual taxpayers

Service Delivery Overview



5. Industrial Policy and South African Economy; the dysfunctional structure of the South African economy

- The contribution to GDP of high value adding sectors of manufacturing (particularly that of manufacturing sectors not closely linked to mining and minerals processing) has declined since the late 1980s
- Economic diversification outside of the core mining and minerals related industrial sectors has not taken place
- Firms in domestic supply chains have not developed requisite capabilities in manufacturing to drive structural economic transformation
- Market power of large firms within value chains such as food processing, metals and machinery, and chemicals and plastics, remains entrenched
- South Africa has experienced premature deindustrialisation, and this negatively impacted growth and development of the economy since end of apartheid
- The South African economy is very concentrated: The Top 100 firms have made up a very high proportion of total JSE market capitalisation. The largest 10 companies accounted for 38% of the total capitalisation of the top 100 companies in 1990 and had extraordinary growth to 70% in 2020
- Financialisation & the large corps since the 1990s. The global economy and South Africa have become increasingly financialised. There has been significant stagnation of private sector GFCF from the period after the global financial crisis in the late 2000s
- GDP growth requires government support for more consumption by struggling households and expenditure on investment in infrastructure
- Structural reforms vs structural transformation: Government's structural reforms: The need for structural transformation

Service Delivery Overview



Macroeconomic Policy Reform

- Government and public corporations increase their investment in economic infrastructure, social infrastructure and economic services in line with the NDP targets
- The Reserve Bank reverting back to its "flexible inflation targeting" regime and upgraded to a dual mandate of both targeting inflation and economic growth at 6%
- Monetary authorities adopt the necessary measures to raise the annual growth of credit extension to the private sector productive sectors and SMME at a consistent rate annually (set lending targets?)
- The role of FDIs and a developmental allocation of capital away from speculation in financial and real estate markets towards fixed investment in the real sector - particularly value added manufacturing sectors - in line with the NIPF and IPAPs.
- The need to reform the private financial sector so that financialisation of the economy can be reversed somewhat and more investment goes into the real sector. Address the power of large corporations and concentration of most markets also has to be addressed in a developmental way and not just legalistically through competition law and the Competition Commission
- There is need to divert money to SMMEs and entrepreneurs willing to help diversify and transform the economy and to creating jobs

Trade and Industrial Policy Reforms

- Industrial financing incentives that will directly and indirectly increase total annual investment in the manufacturing sector
- Regional industrialisation integration and regional value chains- Special Economic Zones and African integration programmes to increase total exports
- Localisation policies to gradually reduce import dependency ratios of some sectors by setting targets for a particular period
- Local content requirements to provide clarity on the; extent of local ownership, market structure, and requirements to build technology capabilities
- Digitalisation (4IR and digital platform) and industrial policy
- Climate change and green economy strategies and industrial policy, e.g. addressing adverse impact of climate change on productive sector like agriculture
- Consideration for greater coherence and better coordination between industrialisation goals and macroeconomic and other economy wide policies, e.g. fiscal policy and industrialisations strategies or public procurement framework and industrialisation objectives
- How to ensure medium to long-term energy security and provide support to productive sectors and SMMEs in particular

6. Government Underspending Analysis

- A ten-year longitudinal analysis of underspending in all spheres of government; here key theme and challenges for oversight purpose
- The phenomenon of underspending in government budgets is not unique to South Africa, as the literature shows that other countries also struggle with budget underspending. The literature further shows that weaknesses in budget-planning and execution processes & procedures are a critical contributor to underspending the government budget.
- Complex procurement processes (e.g., issues relating to non-compliance with SCM policy & regulations and inadequate monitoring & evaluation of SCM) have been cited by many government entities as reasons for underspending. Promoting procurement best practices of supply chain management system should be prioritized within government departments and entities.
- Delays in the payment of supplier's invoices or claims by government departments and entities are one of the major reasons for underspending in government. It is therefore worth highlighting that delays in invoice payment are in breach on Treasury Regulation, which states that "Unless determined otherwise in a contract or other agreement, all payments due to creditors must be settled within 30 days from receipt of an invoice or, in the case of civil claims, the date of settlement or court judgement".

Service Delivery Overview



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6. Government Underspending Analysis (continued)

- Vacancies in critical posts in government departments and entities have contributed to delays in spending budgets. Compensation of employees' expenditure is linked to government service delivery, entailing that failure to fill critical posts has direct impact in the government's ability to use the budget to delivery much required government services.
- For instance, it would be difficult to complete a project without having appointed a project manager to run and oversee the project implementation.
- Interdepartmental systemic issues need to be addressed which drive inefficiencies in Interdepartmental projects, particularly within infrastructure,
- Failing to comply to conditions grants leads to underspending of conditional grants and funds being returned back to the national department. Therefore, it is important always to link the conditional grants budget to specific service-delivery goals.
- Inadequate needs assessment and project planning, along with ineffective monitoring of project milestones and contractors/ implementing agents, have all led to underspending budget in government departments and entities.

Service Delivery Overview



7. Analysis of a proposals for the establishment of a Parliamentary Committee to oversee Vote 1: The Presidency-

- The request on the part of the Subcommittee on the Review of the National Assembly Rules for advice regarding the oversight over Vote 1: Precedency.
- Identify whether or not aspects of Vote 1 are being correctly overseen by existing structures, and if such gaps currently exist, how then could they be closed.
- According to the budget and legal framework, it is clear that the Budget of the Vote 1: The Presidency is not excluded It is therefore reasonable to expect that the oversight processes applied to the Vote 1 programme be similar to those of other Votes forming part of the entire budgetary framework.
- It is unclear, however, whether or not the current oversight mechanisms outlined above can provide a real opportunity for the MPs to pursue regular requested oversight with regard to the specific performance and financial management commitments made in the Vote1: The Presidency
- In many jurisdictions, the plenary chamber (or National Assembly) remains a key forum for parliamentary oversight over the Executive. In these sessions, classic tools such as parliamentary questions and debates are used to hold the government accountable.

Service Delivery Overview



8. Overview and Analysis of Conditional Grants- Social Development, Health, Basic Education, Transport and Human Settlement, Agriculture,

Education

- Education Infrastructure Grant (EIG), which has resulted in overspending despite underspending by the entity in the Limpopo Province.
- HIV and AIDS Life Skills Education Grant, where output targets have had to be revised to accommodate COVID-19 response and budget adjustments. The grant has an underspending of 8.3 per cent by the end of the financial year.
- Children/Learners with Severe to Profound Intellectual Disability (C/LSPID) Grant has also resulted in underspending. Through the monitoring mechanism, challenges were identified, and support and advice was provided to PEDs.
- The Mathematics, Science and Technology (MST) Grant recorded an overspending of 4.7 per cent, with eight provinces having completed their outputs for the financial year under consideration. The Western Cape experienced delays on supply chain processes due to COVID-19.
- National School Nutrition Programme (NSNP) Grant spent only 93 per cent of the transferred funds. The reason for the funds being unspent was due to the COVID-19 lockdown.

Agriculture Conditional Grants

The 2019/20 analysis of these conditional grants has identified several structural matters that might influence implementation and cause inefficiencies;

- the relevant set of generic/common outputs have not been reported; and secondly, duplication of outputs seems to have taken place. From the reporting on outputs, it is clear that clarity is required about the purpose and outputs of the CASP and the Ilima/Letsema conditional grants.
- Alternatively, the merging of these two conditional grants could be considered in order to improve efficiency and effective performance. The 2020/21 analysis shows that reporting has not been adjusted according to the outputs reflected in the schedules to the 2020 DORA.
- Although funding has been decreased, provinces have increased their output when compared to the previous financial year.^{4D} Despite the different purposes of the grants, duplication of outputs is still a concern.

Service Delivery Overview



9. Briefing on the 2022 Draft Preferential Procurement Regulations – Public Procurement Bill 2023

The PBO provided that Parliament to matters to consider when considering the proposed Public Procurement Bill of 2023;

- The Constitution of South Africa requires national legislation to prescribe a framework for organs of states to implement preferential procurement
- Fragmented Preferential Procurement Framework (Public Procurement) will delay realisation of Nationally coordinated policies like, BBBEE, Industrial Policy and other development policies
- Due to lack of capacity and capabilities organs of state always relied on the preferential procurement system prescribed by the Minister of Finance
- Requesting each organ of state to have own approach to preferential procurement is divergence from international norms
- The omission of Local procurement and content in the 2022 draft PPPFA have far reaching implication for industrial policy (Industrialisation) in South Africa
- Foreign and domestic investors have invested and created jobs in South Africa because of government's preferential procurement regulations
- Omitting local content may lead to organs of state procuring imported goods instead of domestically produced goods

Service Delivery Overview



10. Brief on Business Bounce-back Support and the Credit Loan Guarantee Schemes for Small, Micro and Medium Enterprises (SMMEs)

- The brief provided an update on the impact of government's support interventions to businesses following the COVID-19 pandemic. One of the main objectives of the ERPP was to re-industrialise the economy, focusing on growing small businesses. More than 2.6 million SMMEs were counted during the first quarter of 2020. 66.9 % were classified as informal, and 28.9 % were classified as formal. 74.8 % of the formal SMMEs were black-owned. Small businesses contributed R2.3 trillion (22 %) of the R10.5 trillion total turnover for industries in the South African formal business sector. The interventions introduced in the ERPP were linked to the vision of the country set out in the National Development Plan.
- Our analysis has shown that the COVID-19 Loan Guarantee Scheme worth R200 billion had been a failure. First, there was a minimal take-up by small, medium and micro enterprises (SMMEs) that amounted to a mere R13.5 billion. There had been an intervention by the National Treasury in July 2020, with minimal changes, and a similar lack of acceptance. A "Bounce-Back" support scheme has since been launched in April 2022 to help small businesses recover from COVID-19, the violent unrest in July last year, and the KZN floods.

Service Delivery Overview



11. Policy Briefs; 2019-2024 Medium term strategic framework (MTSF)

- 2019-2024 MTSF, Priority 5: Spatial Integration, Human Settlements and Local Government
- 2019-2024 MTSF, Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services
- 2019-2024 MTSF, Priority 2: Economic Transformation and Job Creation
- 2019-2024 MTSF, Priority 6: Social Cohesion and Safer Communities

Key stakeholder engagements and developments



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5th AN-PBO Conference in Harare, Zimbabwe- 2022

- South Africa PBO Director- Elected to Chair the AN-PBO Governing Council- August 2022, Harare, Zimbabwe

14th Annual OECD meeting of Heads of PBOs and IFIs, Dublin, Ireland -2022-

- Geopolitical uncertainty,
- economic impacts and policy implications,
- Oversight of Green Budgeting,
- Independent Estimates of the Costs of Policy
- Getting the Message Out

Other key engagements

- Other stakeholder engagements: Office was involved with other collaborative bilateral engagements including;
 - Financial & Fiscal Commission
 - The South Korea National Assembly Budget Office
 - Uganda PBO
 - Somalia PBO
 - Gambia PBO
 - Tanzania PBO and
 - Brazil Independent Fiscal Institution

Office governance and developments



- Money Bills Amendment Procedure and Related Matters Act amendments came to effect from 2019; to further clarify
 - Office Governance and Reporting framework (GRF), and
 - Business Operational and Management framework (BOMF)
 - PBO as the juristic entity of Parliament
 - Governance and Management responsibilities of the Director as an Accounting Officer
 - Office powers to request information to fulfil its mandate
- In consultation with the Executive Authority and Advisory Board, the Director have put in place process and measures that will enable the Office's transition to giving full effect to section 15 of the Money Bills and Related Matters Act
- Continue to operate within Parliament Admin through the SLA or cooperation between the Director and the Secretary of Parliament
- Undertaken an organisational design and development (ODD) process to map out the governance and accountability, and business and operations requirements imposed by the amended Money Bills Act
- ODD has been completed and the Office is in a process to given effect to outputs, but requires human capacity and budget to fully give effect to Money Bills Act



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Performance Information

Performance output indicators: annual and quarterly targets for the 2022/23 FY



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Performance indicator	Reporting period	Annual target 2022/23	Quarterly targets				
			1 st	2 nd	3 rd	4 th	
Programme 2: Economic, Policy and Fiscal Advice and Analysis							
2.1	Budget, MTBPS, Adjusted budget and Supplementary budget analysis presented to Committees (Including relevant legislation)	Bi-annually	4			2	2
2.2	Number of economic, policy and fiscal briefs produced and presented for keeping Members abreast of current affairs	Bi-annually	10	3	2	3	2
2.3	Number of special reports based on discussion with Members	Quarterly	10	2	2	3	3
2.4	Number of forecast audits produced informing the budget analysis	Annually	1				1
2.5	Number of papers/presentations delivered to national and international forums and/ or stakeholders	Quarterly	3		2	1	
			28	5	6	9	8
Annual performance target			28				
Actual annual performance outputs			36				
Annual performance variance			+08				

Performance Information

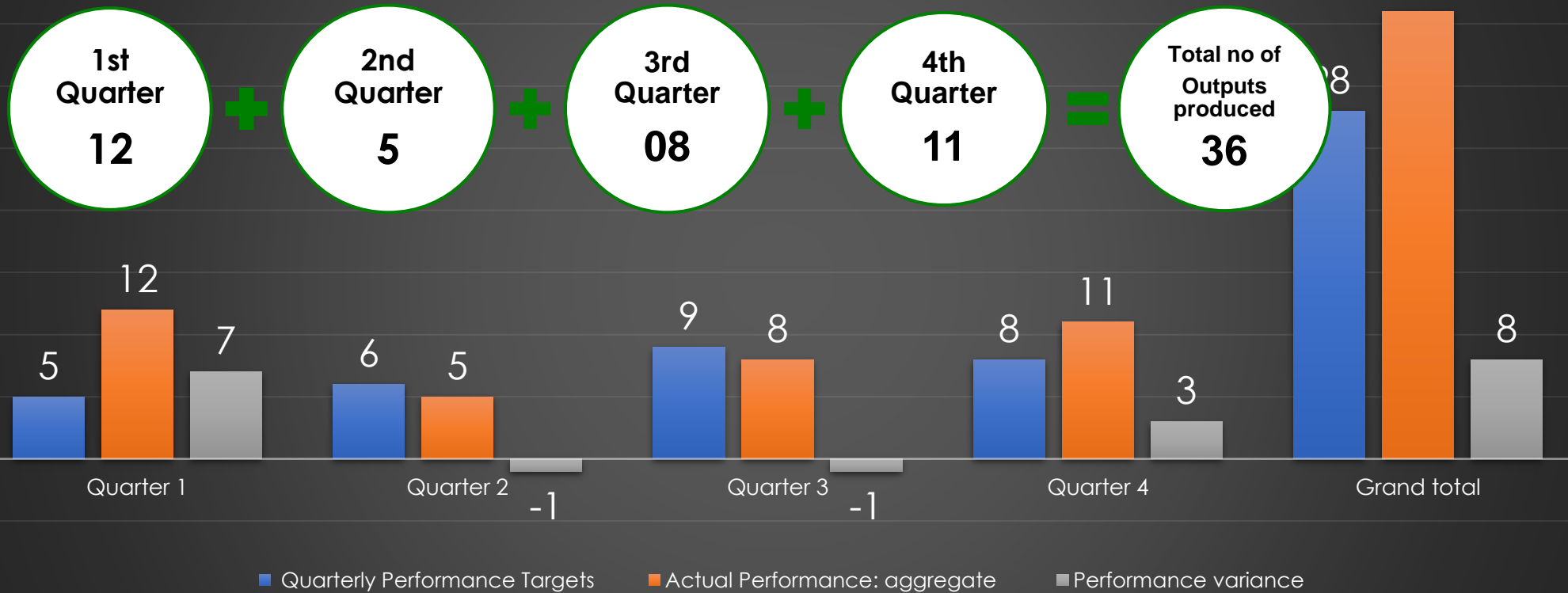


- The strategic outcome and the performance indicators against which the PBO executed its mandate during the 2022/23 FY is reflected in the table(s) below:

Strategic outcome		Strengthening the capacity of Members and Committees in exercising oversight of Public Finances.			
Performance Indicators	Annual Target	Actual annual performance	Variance	Reasons for variance & mitigation factors	
2.2 Number of analytical reports per year	28	36	08	Cyclical variations in performance outputs arising from demand-driven requests	

Performance targets were exceeded. A 100% performance rate was achieved

Annual Performance Information aggregated per quarter



- The PBO annual performance information depicts a positive performance information comprising of **36** actual annual performance outputs produced against 28 performance targets. The PBO performance information is influenced by cyclical variations in demand-driven requests, this resulted in a performance variance **08** performance outputs.
- The **36** performance outputs enabled the PBO to discharge its legislative mandate in support of the public finance oversight mandate of Parliament over the Executive.

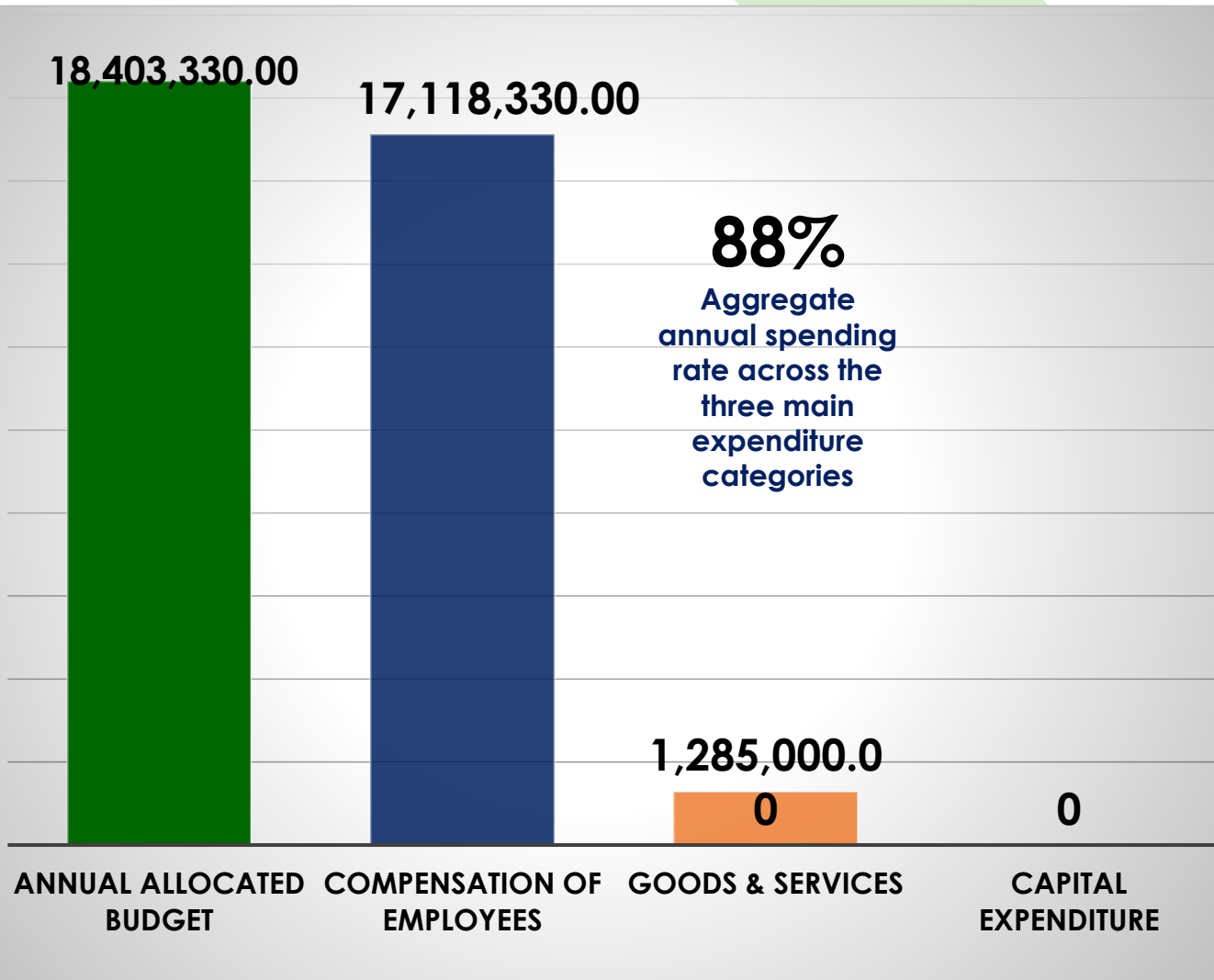


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Financial Information

Reduced Budget Allocation



- A gross annual budget amounting to R18 403 330 across the three (3) main expenditure categories was allocated to the Parliamentary Budget Office (PBO) for the 2022/23 FY. The budget comprised of compensation of employees (COE): R17 118 330 and the goods & services: R1 285 000 and no allocation for capital expenditure (CAPEX).
- An annual eighty-eight (88%) percent aggregate spending rate across the three main expenditure categories materialised.
- Delays in procurement and human resources process, the Office was unable to complete planned procurement, e.g. economic modelling and recruitment and performance reviews, tools of trade, maintenance of the office (e.g. Office tools of trade and etc.

Main expenditure categories



Financial Year	Compensation of employees	Recruitment expenses	Access to information & data	ICT/Communication costs	International & continental travel/engagements	Domestic travel engagements
	Personnel costs: <i>entire staff complement</i>		Subscription expenses	Cellphone, data and landline costs		Various domestic engagements
2022/23 FY	R15 428 797.24	R68 599.80	R128 846	R46 564	R369,783.38	R47 325

- The legislative mandate of the PBO is research based and the Office is a knowledge-based organisation.
- The main cost drivers incurred during the 2022/23 FY required by the Office to discharge its legislative mandate reflected in the table above.
- As a knowledge organisation and as required by the Money Bills Act, the PBO provides independent and objective research, analysis and advice to Parliament on Money Bills and related matters.
- The PBO discharges its legislative mandate through its workforce i.e., its knowledge workers hence incurring a significant proportion of the allocated budget on compensation of employee's expenditure,
- The PBO subscribes to an annually paid economic information systems that enable the Office to mine economic-econometric data, package and analyse the data and present the complex data to MPs in an understandable format.
- The Office engages in domestic, continental and international stakeholder relations to strengthen existing relations and to establish new stakeholder relations to extract best practices therefrom, and to gain access to topical information and data required for enhancing the service delivery capacity of the Office.
- The range of other goods and services costs enable the office to operate efficiently and effectively during the reporting period. These costs, the main cost drivers are reflected below as well as historical costs.

Expenditure Report for the year-ended 31 March 2023



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Budget line items	2022/23 FY
Budget Allocation	R18 403 330
A: OPERATIONAL EXPENDITURE: A1: COE + A2: G&S's	R16 210 463
A1: COMPENSATION OF EMPLOYEES	R15 428 797
Recruitment expenses	R68 600
Training, Workshops and Seminars	R1 595
Research: Access to information & data: subscription services	R128 846
Communication expenses: Landline, Mobile & data	R46 564
Office supplies; Stationery; printing; printing paper and other expenses & other expenses	R16 396.00
Local Travel	R47 325
International Travel	R462,754.83
Catering	R9 585
A2: Surplus before capital expenditure	R781 665.74
B: Capital Expenditure	R0-00
Total surplus for the Year	R2 192 867

Delays in procurement and human resources process, the Office was unable to complete planned procurement, e.g. economic modelling and recruitment and performance reviews



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Human Resources and Development

Human Resources and Development

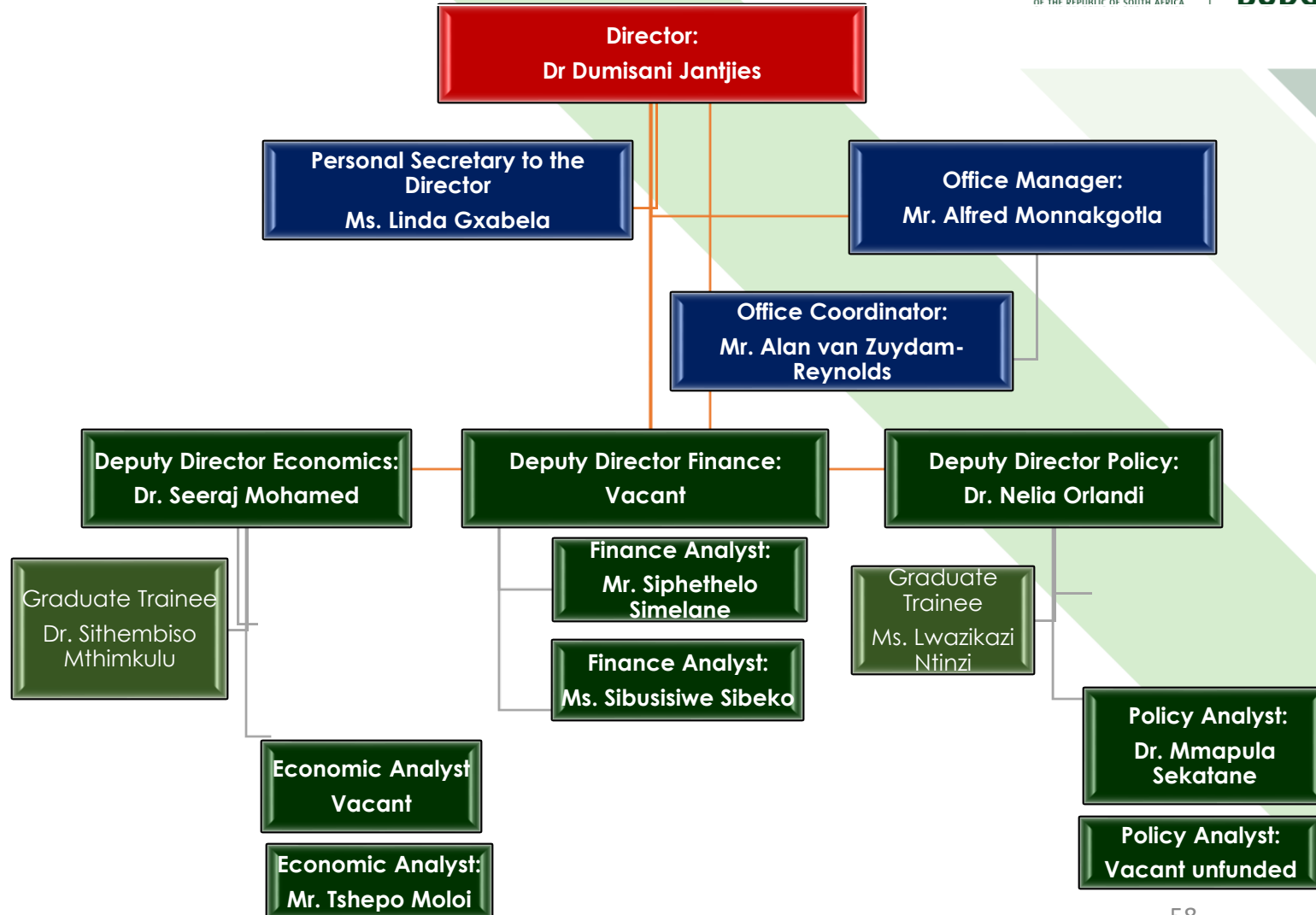


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- The Parliamentary Budget Office recognised as leading the legislative sector in women an empowerment, more specifically in a very technical and highly analytical field in macroeconomic and fiscal policy space
- The Office has a 40 per cent to 60 per cent gender parity to women and men. And this means there are women representatives in all the Office levels of employment



Organisational structure as at 31 March 2023

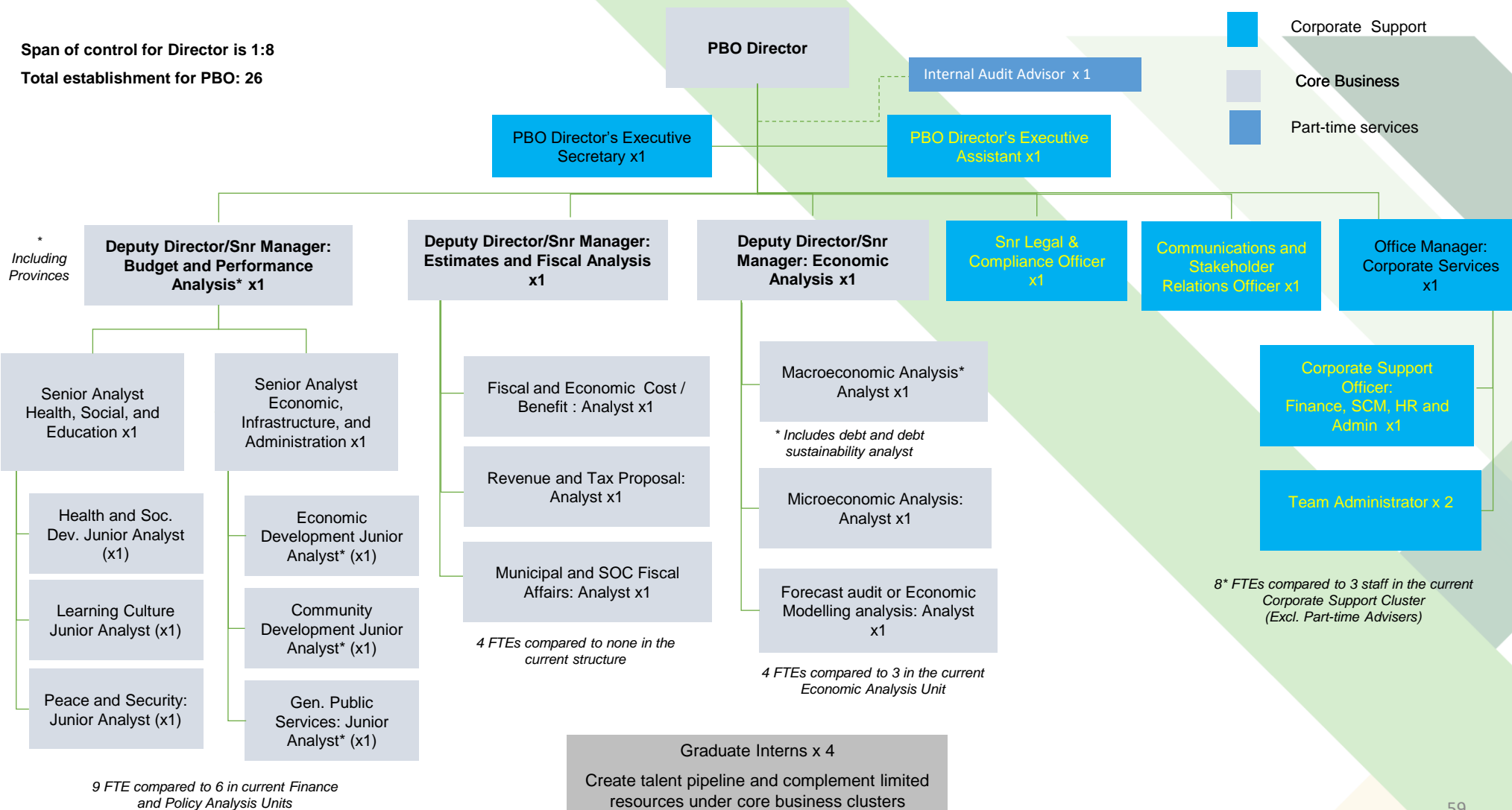


Revised Organisation Structure to Give full effect to Section 15 of the Money Bills and Amendments and Related Matters Act As Amended in 2019



Span of control for Director is 1:8
Total establishment for PBO: 26

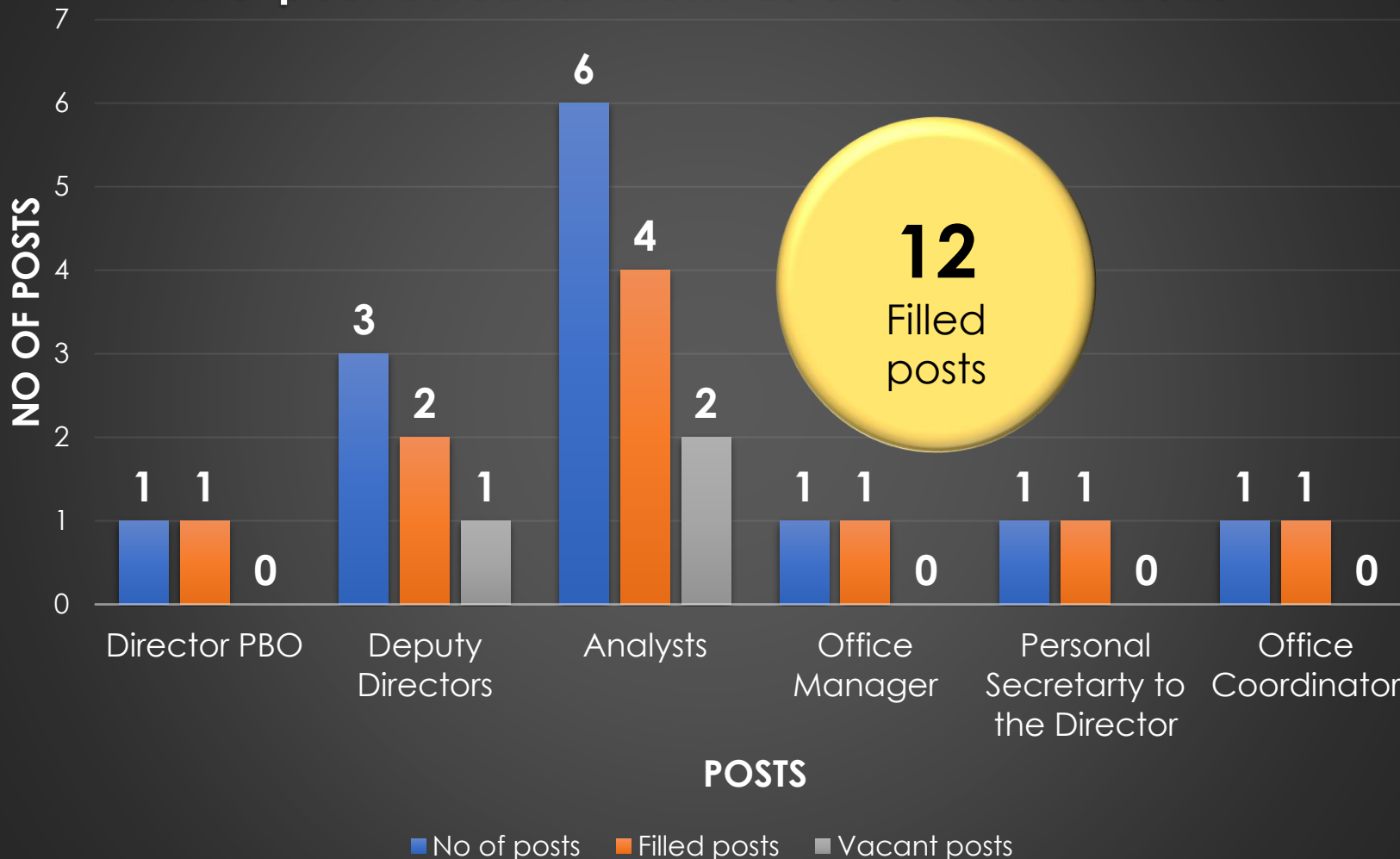
- Corporate Support
- Core Business
- Part-time services



Workforce composition



PBO post establishment as at 31 March 2023



Vacant posts

1. Deputy Director Finance x 1
2. Economic Analyst x 1

Additional workforce

- 2 x Graduate Trainees



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Key challenges impacting the Office fulfilling its mandate

Key challenges impacting the Office fulfilling its mandate



- Lack of budget and other resources means the Office remains disempowered to give full effect to the section 15 of the Money Bills Act/ fully implement the mandate; e.g.
 - Support to other sectoral committees, e.g. education, health, economic dev and etc.
 - Monitoring and reporting on potential unfunded mandate coming from legislation
 - Provide advise on the process to be considered when proposing budget amendments
- Non-compliance with the Money Bills and Related Matters Act-
 - *The Parliamentary Budget Office must annually receive a transfer of funds from Parliament's budget in accordance with section 35 of the FMPPLA to carry out its duties and functions.*
 - PBO submit annual budget in line with the Act, but not fulfilled
 - Annually the EA has requested that the Office to be provided with Budget
- Lack sufficient budget and human capacity to fulfil mandate and fulfil governance and reporting responsibility of the Office
 - *The Director is the Accounting Officer of the PBO and is responsible and accountable for the financial and human resource management of the office*
 - No resources provided to fulfil these responsibilities
- Current recruitment process and lack of budget disables the Office from recruiting required talent and lack of efficiency;
 - Current recruitment regime fails to recognise the PBO as small entity requiring less bureaucratic delay

Conclusion

Conclusion



- The Office was established 10 years ago in terms of Money Bills Act to support Parliament in processing money bills and related matters. The Act provide for the Office specific;
 - Service delivery Mandate
 - Specific governance and accountability framework and
 - Business and Operational Management Framework
- The Office was established in line with the international best practice, based on both House of Parliament extensive benchmarking process in 2010 and 2011 and beyond that helped contextualise the South African PBO
- The Office has set itself to and has continued to provide insight in terms of how budget is impacting on economic and social development, and public finance performance and position
- In terms of the Money Bills and Related Matter Act the Office is required to receive three-year budget in order to fulfil its mandate;
 - Parliament has not complied with this provision of the Act, and this is non-compliance with the Act of Parliament
 - Failure to provide the budget meant that the Office fails to deliver on its mandate,
 - Money Bills Act makes provision for such to non-compliance to be regarded as interfering with the function of the Office

Conclusion



- In 2021, the Director in consultation with the Executive Authority and the Advisory Board had proposed that, in the interim the Office operating within the PAS corporate function through a SLA; Conditions was to enable the Office;
 - enable the Office to build own corporate function capacity given the transition
 - to collaborate with PAS research and other structures
 - ensure the Office to fulfil governance and reporting requirements
- This interim approach and arrangement has worked with significant challenges and inefficiencies that adversely impacting on the functioning of the Office including;
 - Office service delivering on its mandate e.g. failure to support Parliament in line with the Act
 - Denying the office to comply with the Act and
 - Weakened the office to fulfil its governance and accountability and management
 - Created environment for potential interference with the function of the Office as envisaged in section 15

Conclusion



- In order to ensure Parliament comply with the Act, the Office has to receive budget in line with the Act
 - I am concerned that failure to provide funding and capacitating the office lead to the interference with the Office in terms of section 15 of the Money Bills Act
- The Office has been able to realise its 2022/23 performance targets. However, despite this the Office was unable to deliver some of the strategic analysis and research due to lack of budget and other capacity
- Due to lack of consistent available corporate service functionality, the Office was unable to fulfil its mandate and use allocated budget due to the following specific challenges-
 - Delays in recruitments on critical roles
 - Delays in Office performance reviews
 - Delays in procurement processes
 - Delays in other functionality like compliance and process supports
 - Difficulty and delays in maintains of tools of trade, this is despite budget provisions been in place

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Thank you

Dr Dumisani Jantjies

Director

Parliamentary Budget Office

Additional Slides

Actual performance outputs produced during the 2022/23 FY



No of performance outputs	Performance output	Performance indicator	Reporting month
1	Policy Brief Performance on Agriculture Conditional Grants	2.2	Apr-22
2	PBO presentation on Mar 2022 QEB Speakers Forum	2.5	Apr-22
3	2022 Appropriations Bill Assessment	2.1	May-22
4	2022 Appropriations Bill Assessment	2.1	May-22
5	2022 Appropriations Bill Briefing Additional Notes on Vote 26: Military Veterans	2.1	May-22
6	Policy Brief 2020-21 Performance on Basic Education Conditional Grants	2.2	May-22
7	Quarterly Economic Brief	2.2	Jun-22
8	Taxation Brief - 2022 Taxation and Revenue Proposals	2.2	Jun-22
9	Brief on Business Bounce-back Support and the Credit Loan Guarantee Schemes for Small, Micro and Medium Enterprises (SMMEs)	2.3	Jun-22
10	Briefing on the 2022 draft Preferential Procurement Regulations	2.3	Jun-22
11	Submission on the draft SADC Model law on Public Finance Management	2.5	Jun-22
12	Orientation of the Secretary to Parliament	2.5	Jun-22
13	Eastern Cape Provincial Legislature Budget Committee Workshop	2.5	Jul-22

Actual performance outputs produced during the 2022/23 FY (continued)



No of performance outputs	Performance output	Performance indicator	Reporting month
14	PBO Fiscal Brief 2021-22 Analysis	2.2	Aug-22
15	Members Training	2.5	Aug-22
16	Public Participation AN PBO presentation	2.5	Aug-22
17	Brief on Government Support Interventions	2.3	Sep-22
18	Quarterly Economic Brief	2.4	Sep-22
19	Pre-MTBPS Presentation	2.1	Oct-22
20	Pre-MTBPS Brief	2.1	Oct-22
21	Fiscal Brief	2.2	Oct-22
22	Policy Brief- Performance on the 2019-2024 MTSF, Policy Priority 3- Education, Skills, and Health (2)	2.2	Oct-22
23	Policy Brief- Performance on the 2019-2024 MTSF, Priority 4- Consolidating the Social Wage through Reliable and Quality Basic Services	2.2	Oct-22
24	Policy Brief- Performance on the 2019-2024 MTSF, Priority 5- Spatial Integration, Human Settlements and Local Government	2.2	Oct-22
25	Policy Brief- Performance on the 2019-2024 MTSF, Priority 6- Social Cohesion and Safer Communities (Part 1)	2.2	Oct-22
26	Policy Brief- Performance on the 2019-2024 MTSF, Priority 2 Economic Transformation and Job Creation	2.2	Oct-22
27	Policy Brief- Performance on the 2019-2024 MTSF, Priority 3- Education, Skills, and Health (1)	2.2	Oct-22
28	Policy Brief- Performance on the 2019-2024 MTSF, Priority 6- Social Cohesion and Safer Communities (Part 2)	2.2	Oct-22
29	DOR, Adjusted Appropriations & Specif Apprn for SCOA	2.1	Nov-22
30	DOR Presentation to SeCOA	2.1	Nov-22 ⁷⁰
31	MTBPS Discussion	2.1	Nov-22

Actual performance outputs produced during the 2022/23 FY (continued)



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No of performance outputs	Performance output	Performance indicator	Reporting month
32	PBO Briefing -2022 MTBPS	2.1	Nov-22
33	Tongaat-Hulleff - the PBO's written answer to the SCOA- Nov 2022	2.3	Nov-22
34	PBO Briefing on Vote 1 Presidency Oversight - November 2022	2.5	Nov-22
35	FFC 23 Nov 2022	2.5	Nov-22
36	Uganda Study Visit	2.5	Nov-22
37	NCOP Legislative Review 25 November 2022- Dr Dumisani Jantjies Presentation	2.5	Nov-22
38	Tanzania Study Visit	2.5	Nov-22
39	Quarterly Economic Brief	2.2	Dec-22
40	Feb 2023 Pre-Budget Brief SONA Policy Priorities	2.1	Feb-23
41	Feb 2023 Pre-Budget Brief Unfunded Budgets in Local Government	2.1	Feb-23
42	Feb 2023 Pre-Budget Brief Macroeconomic Analysis of the Global and South African Economy	2.1	Feb-23
43	Feb 2023 Budget Presentation	2.1	Feb-23
44	Feb 2023 Fiscal Brief	2.2	Feb-23
45	Feb 2023 Eastern Cape Provincial Legislature Budget Training	2.5	Feb-23
46	Feb 2023 NCOP The Committees Review and Planning Session	2.5	Feb-23
47	Feb 2023 Report on the Bilateral Engagement between South African PBO Director and South Korean NABO Chief	2.5	Feb-23
48	March 2023 Brief on 2023 Division of Revenue Bill for Standing Committee on Appropriation - PBO Presentation 8 March 2023	2.1	Mar-23
49	March 2023 DORA and Second Adjustments Appropriations - PBO Presentation 15 March	2.1	Mar-23
50	March 2023 Government underspending analysis 2011 - 2021 the case studies of the Departments of Health and Social Development	2.1	Mar-23
51	March 2023 PBO Fiscal Framework Summary	2.1	Mar-23
52	March 2023 PBO- Quarterly Economic Brief Output	2.2	Mar-23
53	March 2023 PBO's written answer to the question raised by the Select and Standing Committees on Finance on austerity	2.3	Mar-23
54	March 2023 Thinking about Fiscal Consolidation - theory, ideology, and consequences	2.3	Mar-23 ⁷¹
55	March 2023 PBO Joint Chair of Chairs Workshop 27-28 March	2.5	Mar-23

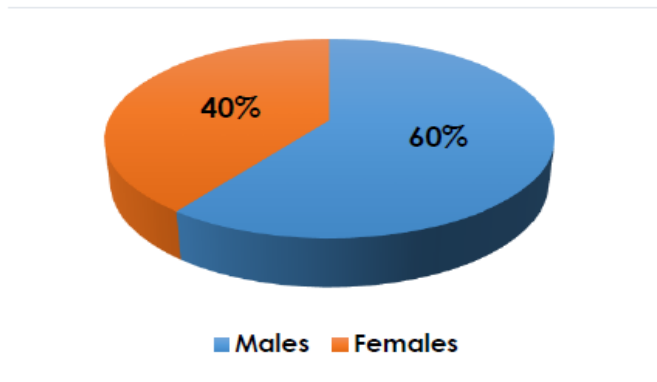
Overview: Organisational structure



PBO

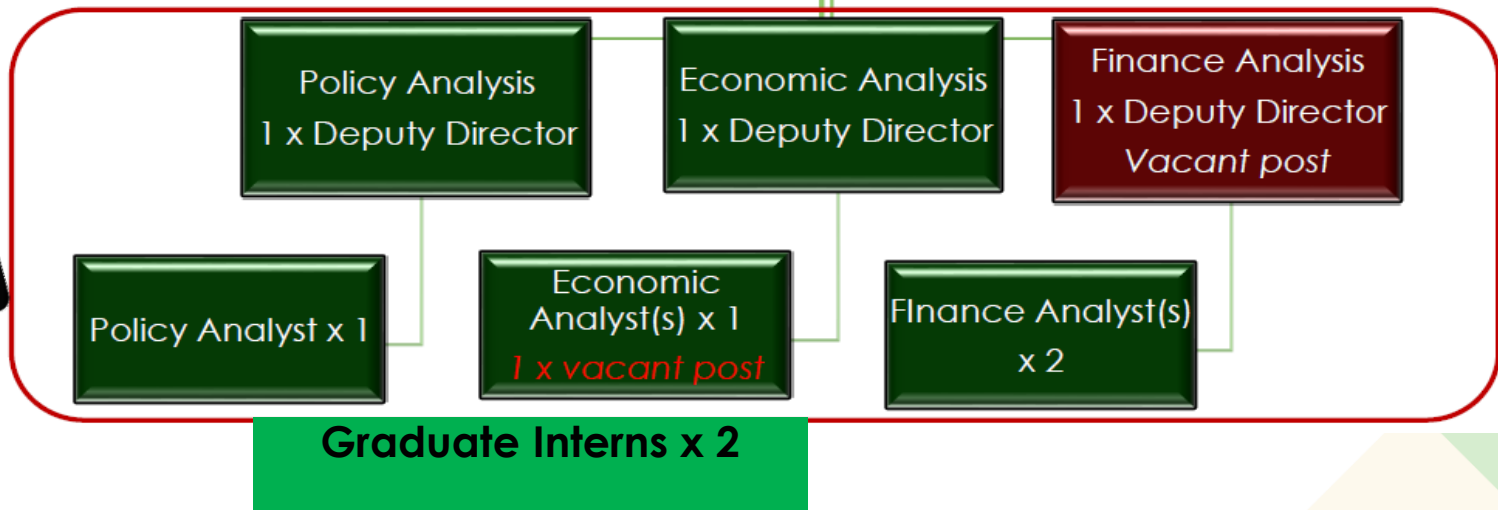
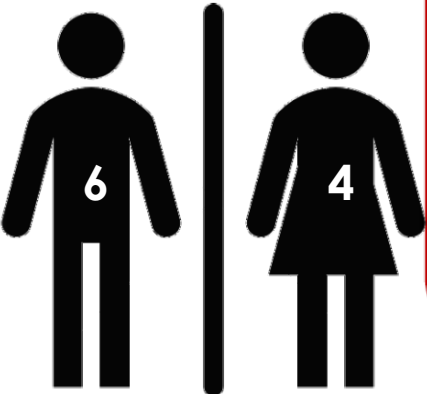
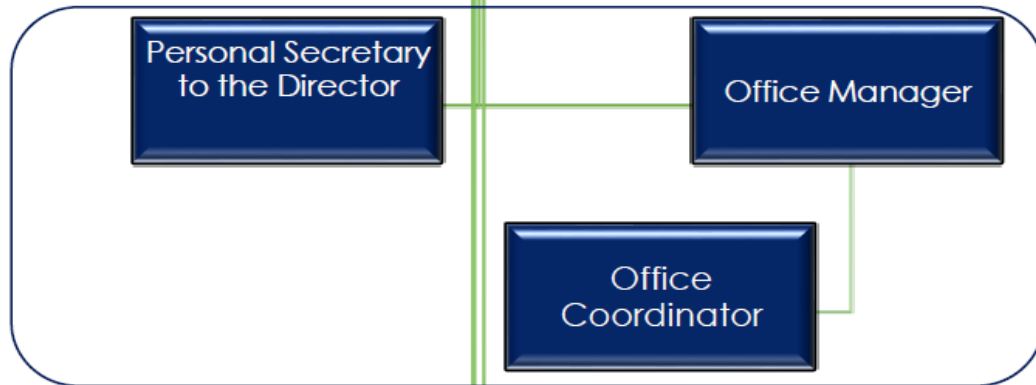
ORGANISATIONAL STRUCTURE AS AT 31 MARCH 2023

Females=4 Males=6 = 10 filled posts



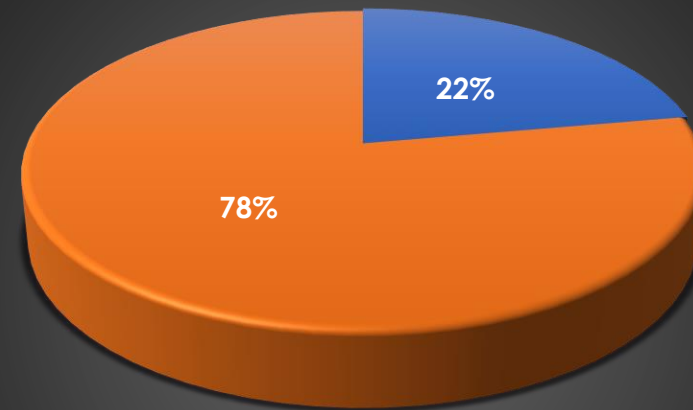
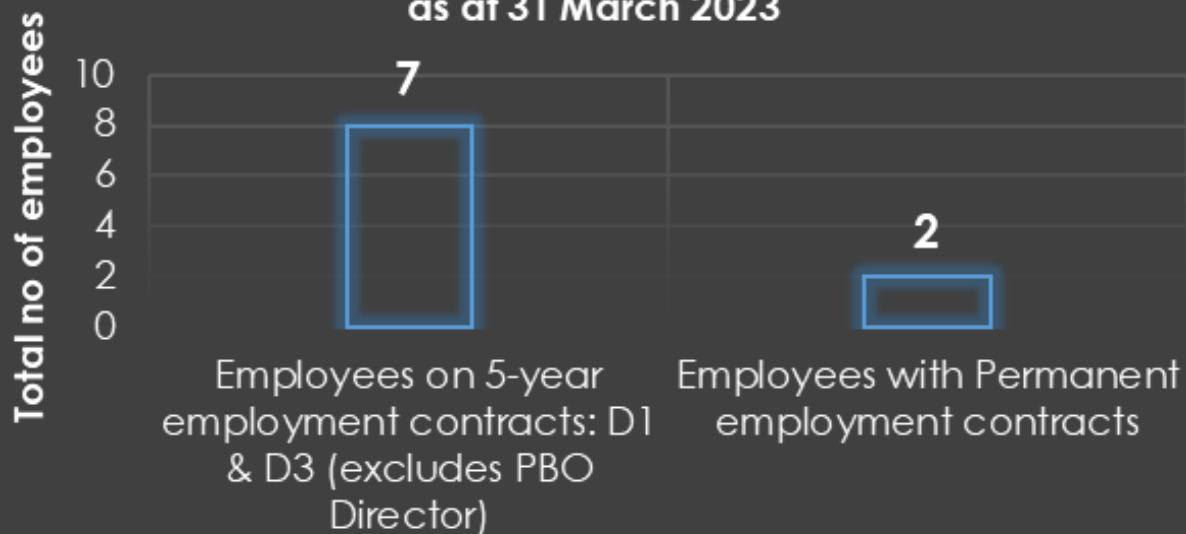
10 filled posts against 2 vacant posts

Director of the PBO



Workforce continued

Composition of workforce: employees on 5-year employment contracts and employees with permanent contracts of employment: as at 31 March 2023



■ % of employees on permanent employment contracts: 2
 ■ % of employees on 5-year employment contracts: 7

Demographics

Africans	Coloureds	Indians	Whites	Total staff complement
7	1	0	2	10
70%	10%	0%	20%	100%

Performance outputs produced by the PBO: 2015/16 FY to 2022/23 FY

